

立法會
Legislative Council

LC Paper No. LS 54/11-12

**Paper for the House Committee Meeting
on 27 April 2012**

**Legal Service Division Report on
Proposed Resolution under section 31(4) of the
Import and Export Ordinance (Cap. 60)**

The Secretary for Commerce and Economic Development has given notice to move a motion at the Legislative Council meeting of 9 May 2012. The motion seeks the Legislative Council's approval of the Import and Export (Registration) (Amendment) Regulation 2012 (the Amendment Regulation) made by the Chief Executive in Council under section 31 of the Import and Export Ordinance (Cap. 60).

2. Under the Import and Export (Registration) Regulations (Cap. 60 sub. leg. E) (the Principal Regulations), persons who import, export or re-export articles other than exempted articles must lodge with the Commissioner of Customs and Excise import or export declarations. They are also required to pay the charges for import or export declarations (the Charges) as specified in regulation 8(1) of the Principal Regulations.

3. The Financial Secretary (FS), in his Budget Speech on 1 February 2012, stated that in the face of the worsening external economic environment, it was necessary to help local enterprises by reducing their operating costs and enhancing competitiveness so as to protect employment. To this end, he proposed four measures, one of which was to reduce the Charges across-the-board by half.

4. The Amendment Regulation amends regulation 8(1) of the Principal Regulations to reduce the Charges as follows -

- (a) in respect of an import declaration relating to an article specified in Appendix I of the Imports and Exports Classification List (i.e. food items), a reduction from 50 cents to 20 cents;

- (b) in respect of any other import declaration or an export declaration-
 - (i) if the relevant value does not exceed \$46,000, a reduction from 50 cents to 20 cents; or
 - (ii) if the relevant value exceeds \$46,000-
 - (A) for the first \$46,000 of the value, a reduction from 50 cents to 20 cents; and
 - (B) for each additional \$1,000 of the value or part of it, a reduction from 25 cents to 12.5 cents.

5. The Legislative Council Brief (File Ref.: CIB CR 15/39/2) issued by the Commerce and Economic Development Bureau in April 2012 explains that for Charges that are fixed at the sum of 50 cents, if it is reduced by half to 25 cents, there would be a problem in collecting odd cents where payment is made in cash over the counter. Hence, instead of reducing those Charges by half as originally proposed by FS, the Amendment Regulation actually reduces more than half of those Charges. The Administration estimates that the reduction will help each company that lodges trade declarations to save about \$9,000 a year on average and will result in about \$750 million loss in revenue for the Government in each year.

6. Members may refer to the Legislative Council Brief for details. According to the Administration, the reduction of Charges has been well received by the business community after its announcement on 1 February 2012. The Panel on Commerce and Industry was briefed on the proposal at its meeting on 21 February 2012. The majority of the Panel members supported in principle the proposal.

7. If the Legislative Council approves the Amendment Regulation, the Administration will arrange gazettal to effect the reduced Charges on 1 June 2012.

8. No difficulties have been identified in the legal or drafting aspects of the Amendment Regulation.

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